

**CLARIFICATION OF SUSPENSION OF BIOMASS ENERGY FROM
QUALIFICATION IN THE RENEWABLE ENERGY PORTFOLIO STANDARD PROGRAM**

**Massachusetts Department of Energy Resources
December 22, 2009**

This clarification follows the announcement issued by DOER Commissioner Giudice on December 3, 2009 to suspend DOER review of RPS Statement of Qualification Applications for biomass generation units. Several questions have been raised about the scope of the announcement and its application. This Q&A provides further clarity of DOER's positions.

Does the suspension apply to woody biomass only or all eligible biomass fuels?

Eligible biomass fuels under the RPS regulations include clean wood, by-products or waste from animals or agricultural crops, food or vegetative material, anaerobic digester gas, and neat Eligible Liquid Biofuel. The suspension announced by DOER applies only to clean wood. Farm-based or other anaerobic digester projects will be considered by DOER. Projects utilizing liquid biofuels will also be considered; such biofuels are already required under the regulations to demonstrate significant reductions in greenhouse gas emissions, inclusive of indirect impacts.

Does the suspension apply only to qualification in the RPS Class I program, or also the RPS Class II and APS programs?

The suspension only applies to biomass units seeking qualification under RPS Class I. Class II units are existing units, and hence, any qualification will not add additional pressure on forestry resources or change carbon emissions. However, after DOER establishes a sustainability criterion for woody biomass for RPS Class I, it may find that the application of the criterion to Class II units is prudent policy.

Units using clean wood biomass for combined heat and power (CHP) seeking qualification under the Alternative Portfolio Standard (APS) will be considered by DOER (such units may be qualified under RPS Class I as well, but such RPS qualification will be subject to the suspension). APS program objectives and qualification is based primarily on energy efficiency savings of CHP units, not renewable energy attributes, and hence will not be subject to the suspension. However, after DOER establishes a sustainability criterion for woody biomass for RPS Class I, it may find that the application of the criterion to APS units is prudent policy.

Does the suspension apply to units which have already received Statement of Qualifications from DOER but have not begun operation?

Units that have received statement of qualifications prior to the announcement of the suspension will continue to be qualified. Such units will, however, be subject to any new criteria that DOER adds to the regulations at the end of this suspension. According to DOER records, this circumstance applies to Ware Cogen, Boralex Livermore Falls, and Laidlaw Energy and Environmental.

How does the suspension affect units already qualified by DOER for the RPS which are currently operating?

The suspension does not affect the currently qualified biomass units whose operation will continue to generation MA RPS Class I Renewable Energy Certificates. However, after DOER establishes a sustainability criterion for woody biomass for RPS Class I, it may find that the application of the criterion to previously qualified units to be prudent policy and DOER will provide clear applicability rules.

Does the suspension affect the ability of biomass projects to submit proposals in response to solicitation by the distribution companies for long term contracts (for power and RECs), as provided in the Green Communities Act?

The suspension does not preclude biomass units from submitting responses to any open solicitation from the distribution companies for long term contracts.

What is the position of DOER with regard to the qualification of biomass units using construction and demolition (C&D) material?

C&D is currently not eligible for the RPS programs. The Green Communities Act created a special commission to study construction and demolition waste combustion as it relates to the RPS program. The Commission has not yet reported findings or recommendations.